

EXECUTIVE ORDER
No. 2001 - 9

**IMPLEMENTATION OF EXPENDITURE REDUCTIONS UNDER PROVISIONS OF
ARTICLE V, SECTION 20,
OF THE MICHIGAN CONSTITUTION OF 1963**

WHEREAS, Article V, Section 20, of the Michigan Constitution of 1963 states that no appropriation is a mandate to spend, and that the Governor, with the approval of the appropriating committees of the House of Representatives and Senate, shall reduce expenditures authorized by appropriations whenever it appears that actual revenues for a fiscal period will fall below the revenue estimates on which appropriations for that period were based, and that reductions shall be made in accordance with procedures prescribed by law; and

WHEREAS, it appears that actual revenues for the fiscal period October 1, 2001 to September 30, 2002, will fall below the revenue estimates on which appropriations for that period were based, said estimates having been determined by the Legislature in accordance with Article IV, Section 31, of the Constitution of the State of Michigan; and

WHEREAS, under provisions of Section 391, Act 431 of the Public Acts of 1984, on the basis of written information from the State Budget Director and the State Treasurer, a finding has been made that actual revenue will fall below such revenue estimates; and

WHEREAS, there is an unanticipated loss of funding which the departments and agencies of state government do not expect to obtain or make up during the current fiscal year; and

WHEREAS, expenditure reductions totaling \$319,156,893.00 are necessary; and

WHEREAS, the transfer of unexpended balances and excess revenues from restricted revenue sources totaling \$144,571,000.00 to be used as general fund-general purpose revenues are necessary.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the authority vested in me by the Michigan Constitution of 1963 and the laws of the State of Michigan, and with the approval of a majority of members of each appropriations committee, do hereby order the following reductions:

1. For the purposes of reducing state funds, the following amounts from Capital Outlay appropriations totaling \$21,896,500.00 are hereby transferred to the unappropriated balance of the general fund as of September 30, 2002.

<u>Appropriation Number (Appropriation Year)</u>	<u>Item</u>	<u>Reduction Amount</u>
74709 (AY 02)	Major special maintenance and remodeling for department of corrections	1,927,800
74710 (AY 02)	Major special maintenance and remodeling for department of management and budget	1,012,500
74711 (AY 02)	Major special maintenance and remodeling for family independence agency	550,000
74712 (AY 02)	Major special maintenance and remodeling for department of community health	500,000
74713 (AY 02)	Major special maintenance and remodeling for department of natural resources	150,000
74714 (AY 02)	Major special maintenance and remodeling for department of state police	256,200
02750 (AY 94)	Planning and special studies for conducting planning projects and special studies regarding service requirements and related facility needs of various state agencies, universities, and community colleges	3,200,000
01738 (AY 02)	State building authority rent - state agencies	2,974,400
01739 (AY 02)	State building authority rent - department of corrections	3,873,500
01737 (AY 02)	State building authority rent - universities	2,152,100
40009 (AY 00)	Kalamazoo aviation history museum	3,000,000
40004 (AY 99)	Art, cultural, development, and quality of life grants	2,300,000

2. Portions of general fund-general purpose appropriations amounting to \$285,288,985.00 for departments and agencies contained in the following public acts are hereby transferred to the unappropriated balance of the general fund as of September 30, 2002. Where the expenditure reductions of general fund-general purpose appropriations in this order reduce the restricted portions of gross appropriations and sources of financing that will be earned, the amounts to be reduced shall be provided separately to the State Budget Director for approval and entry into the accounts.

<u>Public Act</u>	<u>Department</u>	<u>Reduction Amount</u>
2001 PA 53	Agriculture	2,323,500
2001 PA 83	Attorney General	1,860,600
2001 PA 80	Career Development	1,654,900
2001 PA 83	Civil Rights	260,000
2001 PA 83	Civil Service	560,860
2001 PA 60	Community Health	85,304,100
2001 PA 119	Consumer and Industry Services	4,875,100
2001 PA 41	Corrections	54,900,000
2001 PA 42	Education	1,572,100
2001 PA 43	Environmental Quality	17,394,200
2001 PA 83	Executive Office	228,900
2001 PA 82	Family Independence Agency	24,197,100
2001 PA 83	History, Arts and Libraries	4,420,800
2001 PA 120	History, Arts and Libraries	2,217,800
2001 PA 83	Management and Budget	2,308,900
2001 PA 54	Military and Veterans Affairs	1,791,625
2001 PA 44	Natural Resources	6,770,300
2001 PA 83	State	43,037,800
2001 PA 51	State Police	7,550,000
2001 PA 121	State School Aid	7,200,000
2001 PA 80	Strategic Fund	4,755,600
2001 PA 83	Treasury	10,104,800

3. The reduction totals for departments and agencies in item No. 2 include the following appropriation items or are predicated upon the following actions:

1. Department of Agriculture

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
03909	Migrant labor housing	345,400

03903	Food bank	319,000
03904	Grown in Michigan	94,500
03946	Northwest Michigan horticultural research station	41,800
03970	Orchard or vineyard removal	37,800
01290	Horse shows	15,000
02280	Disease and pest intervention fund	50,000
03908	Local conservation districts	780,000
01220	Agriculture development	290,000
01210	Management services	224,000
01270	Upper Peninsula state fair	10,000
03900	Fairs and expositions	9,400
01120	Statistical reporting services	30,000
02205	Pesticide and plant pest management	76,600

Sections 303 and 705 of 2001 PA 53 are amended as follows:

Sec. 303. Of the funds appropriated in part 1 for statistical reporting service ~~\$120,000.00~~ \$90,000.00 shall be used for surveys which include, but are not limited to, fruit, vegetables, and nursery stock, which encompasses Christmas trees and ornamental plants.

The director of the Michigan department of agriculture is given authority to include other agricultural surveys such as turfgrass in the 3-to-5-year rotation. The survey shall include information such as existing plantings/acreage, new plantings/ acreage, production, and number of growers.

Sec. 705. Of the funds appropriated in section 109 for agriculture development, ~~\$200,000.00~~ \$100,000.00 shall be used to coordinate state participation in the federal market access program and to leverage federal funds for the purpose of developing new and enhancing existing export markets for Michigan agricultural products.

Sections 504, 604(a) and 703 of 2001 PA 53 are repealed.

2. Department of Attorney General

Appropriation <u>Number</u>	<u>Item</u>	Reduction <u>Amount</u>
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01040	Attorney general operations	1,800,200
05000	Prosecuting attorneys coordinating council	60,400

3. Department of Career Development

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
08220	Precollege programs in engineering and the sciences	104,500
08219	Michigan community service commission subgrantees	50,000
08230	Welfare-to-work programs	1,500,400

Section 309 of 2001 PA 80 is amended as follows:

Sec. 309. (1) Of the funds appropriated in part 1 for precollege programs in engineering and the sciences, ~~\$620,000.00~~ \$558,000.00 shall be provided in the form of a grant to the Detroit precollege engineering program, incorporated and ~~\$424,700.00~~ \$382,200.00 shall be provided in the form of a grant to the Grand Rapids area precollege engineering program.

4. Department of Civil Rights

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01092	Unclassified positions	120,000
01000	Civil rights operations	140,000

5. Department of Civil Service

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
19100	Civil service operations	560,860

6. Department of Community Health

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
02968	Multicultural services	396,200
01718	Pilot projects in prevention for adults and children	800,000
11352	Cancer prevention and control program	112,500
11387	Michigan Parkinson's Foundation	150,000
14283	Adolescent and child health care services	2,164,000
46514	Senior citizen centers staffing and equipment	1,000,000
33500	Hospital services and therapy	13,745,000
33600	Ambulance services	436,400
33680	Long-term care services	6,500,000
33860	Special adjustor payments	60,000,000

Sections 1001, 1614, 1634, and 1644 of 2001 PA 60 are amended as follows:

Sec. 1001. From the state funds appropriated in part 1, the department shall allocate funds to promote awareness, education, and early detection of breast, cervical, prostate, and colorectal cancer, and provide for other health promotion media activities. ~~The~~

~~department shall allocate no less than \$150,000.00 under this section for colorectal cancer awareness, education, and early detection.~~

Sec. 1614. The department may rebase Medicaid fee for service rates for inpatient hospital services in fiscal year 2001-2002. ~~if, in the aggregate for inpatient services, the rebasing is budget neutral.~~

Sec. 1634. (1) From the funds appropriated in part 1 for ambulance services, the department shall continue the 5% increase in payment rates for ambulance services implemented in fiscal year 2000-2001.

~~(2) Effective October 1, 2001, the department shall implement a surcharge payable for all allowable ambulance runs made for Medicaid recipients excluding those recipients enrolled in Medicaid health maintenance organizations.~~

~~(3) This surcharge shall be based on average mileage per ambulance run and shall be structured so as not to exceed \$1,000,000.00 in total payments.~~

Sec. 1644. (1) From the funds appropriated in part 1 for the rural health initiative, ~~\$5,220,000.00 shall be allocated as an outpatient adjuster payment to be paid directly to hospitals in rural counties in proportion to each hospital's Medicaid and indigent patient population.~~ ONE hundred fifty thousand dollars shall be allocated for free clinics in rural areas as designated by the federal government or such designation as may be modified by the department. These funds shall be allocated consistent with the requirements of section 1507 of this act. Two million dollars of the rural health initiative funds may be allocated for defibrillator grants, EMT training and support, or other similar programs. Four and one-half million dollars shall be allocated to defray the costs of construction and operation of health care clinics on Mackinac Island.

Sections 1643 and 1647 of 2001 PA 60 are repealed.

7. Department of Consumer and Industry Services

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
05011	Nursing home quality incentive grants	4,536,500
01004	Policy development	25,000
01013	Bureau of hearings	25,000
03001	Administrative services	25,000
03005	Technology support	42,500
09002	Occupational safety and health	50,000
07008	Commercial services	121,100
17001	Operations	50,000

Sections 328 and 333 of 2001 PA 119 are repealed.

8. Department of Corrections

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
02072	Training	2,900,000
22251	Field programs	1,048,000
22260	Personnel costs	500,000
25290	Community residential programs	1,012,900
28531	County jail reimbursement programs	4,500,000
10362	DOJ consent decree	81,100
10370	DOJ psychiatric plan - MDCH mental health services	5,000,000
28530	Inmate housing fund	361,400
46002	Alger maximum correctional facility - Munising	496,600
47002	Baraga maximum correctional facility - Baraga	639,600

49002	Chippewa correctional facility - Kincheloe	1,405,100
50002	Kinross correctional facility - Kincheloe	154,200
51002	Marquette branch prison - Marquette	361,400
54002	Newberry correctional facility - Newberry	101,100
52002	Oaks correctional facility - Eastlake	618,700
55002	Ojibway correctional facility - Marenisco	29,400
56002	Pugsley correctional facility - Kingsley	100,400
83002	Saginaw correctional facility - Freeland	326,800
53002	Standish maximum correctional facility - Standish	40,300
35002	Cooper street correctional facility - Jackson	257,600
36002	G. Robert Cotton correctional facility - Jackson	61,800
32002	Charles E. Egeler correctional facility - Jackson	353,200
79002	Gus Harrison correctional facility - Adrian	382,600
78002	Huron Valley men's facility - Ypsilanti	446,600
37002	Jackson maximum correctional facility - Jackson	28,838,100
89002	Macomb correctional facility - New Haven	207,700
87002	Mound correctional facility - Detroit	289,700
34002	Parnall correctional facility - Jackson	415,000
86002	Ryan correctional facility - Detroit	258,400
82002	Scott correctional facility - Plymouth	40,300
33002	Southern Michigan correctional facility - Jackson	1,353,100
80002	Thumb correctional facility - Lapeer	61,800
85002	Western Wayne correctional facility - Plymouth	152,700
30522	Jackson area support and services	41,200
72002	E. C. Brooks correctional facility - Muskegon	398,900
48002	Carson City correctional facility - Carson City	61,800

76002	Florence Crane correctional facility - Coldwater	100,400
63002	Deerfield correctional facility - Ionia	51,900
61002	Richard A. Handlon Michigan training unit - Ionia	38,500
62002	Ionia maximum correctional facility - Ionia	299,600
77002	Lakeland correctional facility - Coldwater	61,800
66002	Muskegon correctional facility - Muskegon	262,900
70002	Pine River correctional facility - St. Louis	36,000
64002	Riverside correctional facility - Ionia	344,000
69002	St. Louis correctional facility - St. Louis	407,400

1927 PA 175, being Sections 760.1 to 777.69 of the Michigan Compiled Laws, is amended as follows:

762.13 Assignment as youthful trainee, duties of court.

Sec. 13 (5) The court shall include in each order of probation for an individual placed on probation under this section that the department of corrections shall collect a probation supervision fee of not more than \$30.00 multiplied by the number of months of probation ordered, but not more than 36 months. The fee is payable when the probation order is entered, but the fee may be paid in monthly installments if the court approves installment payments for the probationer. In determining the amount of the fee, the court shall consider the probationer's projected income and financial resources. The court shall use the following table of projected monthly income in determining the amount of the fee to be ordered:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The court may order a higher amount than indicated by the table, up to the maximum of \$30.00 multiplied by the number of months of probation ordered but not more than 36 months, if the court determines that the probationer has sufficient assets or other financial

resources to warrant the higher amount. If the court orders a higher amount, the amount and the reasons for ordering that amount shall be stated in the court order. The fee shall be collected as provided in section 25a of Act No. 232 of the Public Acts of 1953, being section 791.225a of the Michigan Compiled Laws. A person shall not be subject to more than 1 supervision fee at the same time. If a supervision fee is ordered for a person for any month or months during which that person already is subject to a supervision fee, the court shall waive the fee having the shorter remaining duration. FOR FISCAL YEAR 2002, THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A PROBATION SUPERVISION FEE OF NOT MORE THAN \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PROBATION ORDERED, BUT NOT MORE THAN 36 MONTHS. THE COURT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE TO BE ORDERED:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00
\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE COURT MAY ORDER A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PROBATION ORDERED BUT NOT MORE THAN 36 MONTHS, IF THE COURT DETERMINES THAT THE PROBATIONER HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

771.1 Requirements for probation; delayed sentence; fee; life probation; applicability of section to certain juveniles.

Sec. 1. (3) If a defendant is before the circuit court and the court delays imposing sentence under subsection (2), the court shall include in the delayed sentence order that the department of corrections shall collect a supervision fee of not more than \$30.00 multiplied by the number of months of delay ordered, but not more than 12 months. The fee is payable when the delayed sentence order is entered, but the fee may be paid in monthly installments if the court approves installment payments for that defendant. In

determining the amount of the fee, the court shall consider the defendant's projected income and financial resources. The court shall use the following table of projected monthly income in determining the amount of the fee to be ordered:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The court may order a higher amount than indicated by the table, up to the maximum of \$30.00 multiplied by the number of months of delay ordered but not more than 12 months, if the court determines that the defendant has sufficient assets or other financial resources to warrant the higher amount. If the court orders a higher amount, the amount and the reasons for ordering that amount shall be stated in the court order. The fee shall be collected as provided in section 25a of 1953 PA 232, MCL 791.225a. A person shall not be subject to more than 1 supervision fee at the same time. If a supervision fee is ordered for a person for any month or months during which that person already is subject to a supervision fee, the court shall waive the fee having the shorter remaining duration. FOR FISCAL YEAR 2002, THE CIRCUIT COURT SHALL INCLUDE IN THE DELAYED SENTENCE ORDER THAT THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A SUPERVISION FEE OF NOT MORE THAN \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF DELAY ORDERED, BUT NOT MORE THAN 12 MONTHS. THE COURT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE TO BE ORDERED:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00
\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE COURT MAY ORDER A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF DELAY ORDERED BUT NOT MORE THAN 12 MONTHS, IF THE COURT DETERMINES THAT THE DEFENDANT HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

771.3c Probation supervision fee; enforcement of probation oversight fee; person subject to other obligations arising out of criminal proceeding; applicability of section to certain juveniles.

Sec. 3c. (1) The circuit court shall include in each order of probation for a defendant convicted of a felony that the department of corrections shall collect a probation supervision fee of not more than \$30.00 multiplied by the number of months of probation ordered, but not more than 60 months. The fee is payable when the probation order is entered, but the fee may be paid in monthly installments if the court approves installment payments for the probationer. In determining the amount of the fee, the court shall consider the probationer's projected income and financial resources. The court shall use the following table of projected monthly income in determining the amount of the fee to be ordered:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The court may order a higher amount than indicated by the table, up to the maximum of \$30.00 multiplied by the number of months of probation ordered but not more than 60 months, if the court determines that the probationer has sufficient assets or other financial resources to warrant the higher amount. If the court orders a higher amount, the amount and the reasons for ordering that amount shall be stated in the court order. The fee shall be collected as provided in section 25a of 1953 PA 232, MCL 791.225a. A person shall not be subject to more than 1 supervision fee at the same time. If a supervision fee is ordered for a person for any month or months during which that person already is subject to a supervision fee, the court shall waive the fee having the shorter remaining duration. FOR FISCAL YEAR 2002, THE CIRCUIT COURT SHALL INCLUDE IN EACH ORDER OF PROBATION THAT THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A SUPERVISION FEE OF NOT MORE THAN \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PROBATION ORDERED, BUT NOT MORE THAN

60 MONTHS. THE COURT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE TO BE ORDERED:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00
\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE COURT MAY ORDER A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PROBATION ORDERED BUT NOT MORE THAN 60 MONTHS, IF THE COURT DETERMINES THAT THE DEFENDANT HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

1953 PA 232, being Sections 792.201 to 791.283 of the Michigan Compiled Laws, is amended as follows:

791.225a Supervision fees; collection; records; payment; waiver; determination; allocation of money collected for other obligations; administrative costs; enhanced services; unpaid amounts.

Sec. 25a. (3) The department shall waive any applicable supervision fee for a person who is transferred to another state under the interstate compact entered into pursuant to Act No. 89 of the Public Acts of 1935, being sections 798.101 to 798.103 of the Michigan Compiled Laws, for the months during which he or she is in another state. The department shall collect a supervision fee of not more than \$30.00 per month for each month of supervision in this state for an offender transferred to this state under that interstate compact. In determining the amount of the fee, the department shall consider the offender's projected income and financial resources. The department shall use the following table of projected monthly income in determining the amount of the fee:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
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\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The department may collect a higher amount than indicated by the table, up to the maximum of \$30.00 for each month of supervision in this state, if the department determines that the offender has sufficient assets or other financial resources to warrant the higher amount. If the department collects a higher amount, the amount and the reasons for collecting that amount shall be stated in the department records. FOR FISCAL YEAR 2002, THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A SUPERVISION FEE OF NOT MORE THAN \$135.00 PER MONTH FOR EACH MONTH OF SUPERVISION IN THIS STATE FOR AN OFFENDER TRANSFERRED TO THIS STATE UNDER THAT INTERSTATE COMPACT. IN DETERMINING THE AMOUNT OF THE FEE, THE DEPARTMENT SHALL CONSIDER THE OFFENDER'S PROJECTED INCOME AND FINANCIAL RESOURCES. THE DEPARTMENT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00
\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE DEPARTMENT MAY COLLECT A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 FOR EACH MONTH OF SUPERVISION IN THIS STATE, IF THE DEPARTMENT DETERMINES THAT THE OFFENDER HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

791.236a Collection of supervision fee by parole board; limitation; payment; determination of amount; enforcement of parole oversight fee; allocation of money

collected for other obligations; waiver of fee; determination and collection of fee for offender transferred to state under interstate compact; administrative costs; unpaid amounts.

Sec. 36a. (1) The parole board shall include in each order of parole that the department of corrections shall collect a parole supervision fee of not more than \$30.00 multiplied by the number of months of parole ordered, but not more than 60 months. The fee is payable when the parole order is entered, but the fee may be paid in monthly installments if the parole board approves installment payments for the parolee. In determining the amount of the fee, the parole board shall consider the parolee's projected income and financial resources. The parole board shall use the following table of projected monthly income in determining the amount of the fee to be ordered:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The parole board may order a higher amount than indicated by the table, up to the maximum of \$30.00 multiplied by the number of months of parole ordered but not more than 60 months, if the parole board determines that the parolee has sufficient assets or other financial resources to warrant the higher amount. If the parole board orders a higher amount, the amount and the reasons for ordering that amount shall be stated in the parole order. FOR FISCAL YEAR 2002, THE PAROLE BOARD SHALL INCLUDE IN EACH ORDER OF PAROLE THAT THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A PAROLE SUPERVISION FEE OF NOT MORE THAN \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PAROLE ORDERED, BUT NOT MORE THAN 60 MONTHS. THE COURT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE TO BE ORDERED:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00

\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE PAROLE BOARD MAY ORDER A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 MULTIPLIED BY THE NUMBER OF MONTHS OF PAROLE ORDERED BUT NOT MORE THAN 60 MONTHS, IF THE PAROLE BOARD DETERMINES THAT THE DEFENDANT HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

Sec. 36a. (5) The department shall waive the parole supervision fee for a parolee who is transferred to another state under the interstate compact entered into pursuant to Act No. 89 of the Public Acts of 1935, being sections 798.101 to 798.103 of the Michigan Compiled Laws, for the months during which he or she is in another state. The department shall collect a parole supervision fee of not more than \$30.00 per month for each month of parole supervision in this state for an offender transferred to this state under that interstate compact. In determining the amount of the fee, the department shall consider the parolee's projected income and financial resources. The department shall use the following table of projected monthly income in determining the amount of the fee:

<u>Projected Monthly Income</u>	<u>Amount of Fee</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$20.00
\$750.00 or more	\$30.00

The department may collect a higher amount than indicated by the table, up to the maximum of \$30.00 for each month of parole supervision in this state, if the department determines that the parolee has sufficient assets or other financial resources to warrant the higher amount. If the department collects a higher amount, the amount and the reasons for collecting that amount shall be stated in the department records. FOR FISCAL YEAR 2002, THE DEPARTMENT OF CORRECTIONS SHALL COLLECT A PAROLE SUPERVISION FEE OF NOT MORE THAN \$135.00 PER MONTH FOR EACH MONTH OF PAROLE SUPERVISION IN THIS STATE FOR AN OFFENDER TRANSFERRED TO THIS STATE UNDER THAT INTERSTATE COMPACT. IN DETERMINING THE AMOUNT OF THE FEE, THE DEPARTMENT SHALL

CONSIDER THE PAROLEE'S PROJECTED INCOME AND FINANCIAL RESOURCES. THE DEPARTMENT SHALL USE THE FOLLOWING TABLE OF PROJECTED MONTHLY INCOME IN DETERMINING THE AMOUNT OF THE FEE:

<u>PROJECTED MONTHLY INCOME</u>	<u>AMOUNT OF FEE</u>
\$0.00 - 249.99	\$0.00
\$250.00 - 499.99	\$10.00
\$500.00 - 749.99	\$25.00
\$750.00 - 999.99	\$40.00
\$1,000 and up	5% OF MONTHLY INCOME, FEE NOT TO EXCEED \$135.00

THE DEPARTMENT MAY COLLECT A HIGHER AMOUNT THAN INDICATED BY THE TABLE, UP TO THE MAXIMUM OF \$135.00 FOR EACH MONTH OF PAROLE SUPERVISION IN THIS STATE, IF THE DEPARTMENT DETERMINES THAT THE PAROLEE HAS SUFFICIENT ASSETS OR OTHER FINANCIAL RESOURCES TO WARRANT THE HIGHER AMOUNT.

9. Department of Education

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01403	Unclassified positions	150,000
01404	State board/superintendent operations	35,000
01605	Central support	115,000
03801	Information technology operations	50,000
04405	Summer institute	242,100
04801	School excellence operations	200,000
07602	Administrative law operations	15,000
07701	Education options operations	65,000

04856	School readiness grants	650,000
04401	Michigan schools for the deaf and blind operations	50,000

10. Department of Environmental Quality

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
04530	Environmental cleanup and redevelopment program	11,049,800
04561	State cleanup	550,400
04541	Contaminated site investigations, cleanup, and revitalization	4,732,630
04903	Laboratory services administration	85,000
02801	Land and water program direction	50,000
04811	Surface water surveillance program	500,000
04822	Volunteer river, stream, and creek cleanup	75,000
04318	Low-income community wastewater assistance	67,500
02818	Great Lakes shorelands	83,870
04808	Compliance and permits	100,000
04912	Drinking water	100,000

Section 501 of 2001 PA 43 is repealed.

11. Executive Office

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
00139	Executive office	228,900

12. Family Independence Agency

<u>Appropriation</u>	<u>Item</u>	<u>Reduction</u>
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<u>Number</u>		<u>Amount</u>
11010	Salaries and wages	297,200
11250	Data system enhancement	500,000
11500	Child support automation	6,050,500
81010	Salaries and wages	96,400
81600	State incentive payments	2,449,500
81700	Training and staff development	250,000
72260	Family preservation and prevention services	236,600
47400	Juvenile justice operations	4,886,700
62610	Field staff, salaries and wages	2,384,400
62040	Contractual services, supplies, and materials	750,000
12070	Rent	500,000
12050	Travel	250,000
12060	Equipment	500,000
12080	Payroll taxes and fringe benefits	960,300
32590	State emergency relief	4,085,500

Sections 401 and 710 of 2001 PA 82 are amended as follows:

Sec. 401. (1) From the federal money received for child support incentive payments, up to ~~\$4,365,200.00~~ \$10,415,700.00 shall be retained by the state and expended for legal support contracts ~~state incentive payments and salaries and wages for office of child support staff.~~ AND CHILD SUPPORT PROGRAM EXPENSES.

Sec. 710. From the funds appropriated in part 1 for juvenile justice services, the department ~~shall~~ MAY continue contracts for county juvenile justice day treatment programs.

Sections 621 and 644 of 2001 PA 82 are repealed.

Section 233 of 2001 PA 120 is amended as follows:

Sec. 233 (1). From the funds appropriated in part 1 of 2001 PA 82 for state emergency relief, the maximum allowable charge limit for indigent burials shall be ~~\$1,310.00~~ \$1,114.00. The funds shall be distributed as follows: ~~\$835.00~~ \$710.00 for funeral directors; ~~\$275.00~~ \$234.00 for cemeteries or crematoriums; and ~~\$200.00~~ \$170.00 for the provider of the vault.

13. 1 - History, Arts and Libraries - 2001 PA 83

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
03150	State aid to libraries	736,700
03050	Operations	475,200
03200	Grant to the Detroit public library	2,877,100
03100	Statewide database access	55,500
03300	Subregional state aid	31,000
03250	Grand Rapids public library	199,100
03400	Book distribution centers	17,000
03350	Wayne County library for the blind & physically handicapped	2,600
03500	Library automation	26,600

m. 2 - History, Arts and Libraries - 2001 PA 120

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
02002	Arts and cultural grants	1,276,500
02001	Administration	46,500
02003	Arts and cultural supplemental grants	500,000
01200	Building occupancy charges and rent	10,100
01400	Office of film and television services	7,900
07511	Mackinac Island state park operations	81,500

07516	Historical facilities system	20,500
04100	Historical administration and services	274,800

14. Department of Management and Budget

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
08502	Health insurance reserve fund payment	154,100
01101	Departmentwide services	412,300
01401	Statewide administrative services	687,300
02816	Office of children's ombudsman	61,100
02206	Michigan administrative information network	994,100

Section 714 of 2001 PA 83 is repealed.

15. Department of Military and Veterans Affairs

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
05012	Marine corps league	252,225
05016	Purple heart	118,425
05019	Polish legion of American veterans	30,900
05020	Jewish veterans of America	30,900
05023	Catholic war veterans	9,975
05010	American legion	120,800
05011	Disabled American veterans	99,800
05013	American veterans of World War II and Korea	63,400
05014	Veterans of foreign wars	120,800
05015	Michigan paralyzed veterans of America	22,600
05017	Veterans of World War I	100

05021	State of Michigan council Vietnam veterans of America	21,700
02011	Military training sites and support facilities	600,000
03016	Special maintenance - state	100,000
03011	Departmentwide accounts	200,000

Section 212 of 2001 PA 54 is amended as follows:

Sec. 212. (1) Of the funds appropriated in section 103 for military training sites and support facilities, there shall be established a Michigan national guard education assistance program. Disbursements to the educational assistance program shall not exceed ~~\$2,000,000.00~~ \$1,500,000.00 without legislative approval. Under the program, a member of the national guard who is in active service and who enrolls as a full- or part-time student at a public or private state college or university may be eligible to receive up to an equivalent of 50% of the total cost of tuition not to exceed \$2,000.00 as education assistance, in any academic year.

16. Department of Natural Resources

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01101	Finance and operations services	2,300,000
01645	Abandoned mineshaft closures	350,000
02107	Timber harvest	1,042,900
02153	Cooperative resource program	256,500
02436	Michigan civilian conservation corps	500,000
03116	General law enforcement	500,000
05502	Purchased lands taxes/open space payments	1,820,900

Section 402 of 2001 PA 44 is repealed.

17. Department of State

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
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10000	Operations	437,700
14100	Operations	4,498,000
14300	Data processing	6,287,500
15100	Operations	2,570,200
15200	Auto regulations	1,024,600
19100	Branch operations	19,813,000
19200	Central records	4,973,000
19900	Field services administration	679,300
19010	Record administration	109,100
21100	Elections administration	94,500
21400	Qualified voter file	46,300
50100	Building occupancy charges/rent	2,247,200
50110	Workers' compensation	257,400

The Department of State shall submit billings to the Michigan Department of Transportation for payment of transportation related activities performed by the Department of State up to an amount not to exceed \$95,814,100.00, including \$55,814,100.00 authorized through an interdepartmental grant, for the fiscal year ending September 30, 2002.

18. State Police

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
41010	Criminal justice information center division	2,800,000
34010	Criminal investigations	250,000
11290	Secondary road patrol and traffic accident basic grants	4,500,000

1935 PA 120, being Sections 28.271 to 28.273 of the Michigan Compiled Laws, is amended by amending Section 28.273 as follows:

Sec. 3. (1) The department of state police may charge a fee, not to exceed \$15.00, for taking and processing the fingerprints and completing a criminal record check of a resident of this state when the impression of the fingerprints are requested for employment- or licensing-related purposes. The fee shall not exceed the actual cost of taking and processing the impression of the fingerprints and completing a criminal record check on that person. The fee shall be collected and forwarded to the state police by the licensing body or the employer. FOR FISCAL YEAR 2002, THE FEE SHALL BE \$30.00.

1965 PA 213, being Sections 780.621 to 780.624 of the Michigan Compiled Laws, is amended by amending Section 780.621 as follows:

Sec. 1 (6) The copy of the application submitted to the department of state police under subsection (5) shall be accompanied by a fee of \$25.00 payable to the state of Michigan which shall be used by the department of state police to defray the expenses incurred in processing the application. FOR FISCAL YEAR 2002, THE FEE SHALL BE \$30.00.

1965 PA 285, being Section 338.846 of the Michigan Compiled Laws, is amended as follows:

Sec. 26. A license granted under the provisions of this act may be renewed by the secretary of state upon application therefor by the licensee, and the payment of a renewal fee of \$50.00 if a person, or of \$200.00 if a firm, partnership, company or corporation, and filing of a renewal surety bond in the amount equivalent to that specified in section 9 of this act. A renewal license shall be dated as of the expiration date of the previously existing license. For the renewal of a license, the licensee shall submit an application in such form as prescribed by the secretary of state, and a license shall be issued forthwith, except that the secretary of state may defer the renewal if there are uninvestigated complaints then outstanding against the licensee or if there is a criminal complaint then pending against the licensee. The renewal application shall be approved by the sheriff or chief of police and the prosecuting attorney, as required for an initial license. FOR FISCAL YEAR 2002, THE RENEWAL FEE SHALL BE \$500.00 FOR A PERSON, FIRM, PARTNERSHIP, COMPANY OR CORPORATION.

1968 PA 330, being Sections 338.1051 to 338.1085 of the Michigan Compiled Laws, is amended by amending Section 338.1068 and Section 338.1075 as follows:

Sec. 18. (3) The fingerprints required to be taken under subsection (2) may be taken by a law enforcement agency or any other person determined by the department to be qualified to take fingerprints. The department may charge a fee not to exceed \$100.00 for training. The licensee shall submit a 1-time \$15.00 processing fee for each person applying for employment at that agency. If a licensee takes the fingerprints, that licensee shall obtain training in taking fingerprints from the department or a law enforcement agency or other person determined qualified by the department. The department may

impose a fee not to exceed \$5.00 for fingerprints submitted to the department that do not meet standards imposed by the department. FOR FISCAL YEAR 2002, THE PROCESSING FEE SHALL BE \$30.00.

Sec. 18. (5) A licensee shall request the department to conduct a background check of each prospective employee based upon a name check. The licensee shall obtain a complete and signed employment application for all individuals for whom a name check is requested and conducted. The employment application shall be retained for at least 1 year from the date of its submission. The department shall conduct the background check upon a written or telephonic request of a licensee accompanied by a fee of \$5.00. The background check shall be conducted not later than 3 days after the date a written request is made and not later than 24 hours after a telephonic request is made. Provisional clearance based on the name check shall allow the employee to be employed, for a period of time not to exceed 90 days, pending final clearance based upon a fingerprint check. If an approval is once denied, that individual may not again be employed by the submitting licensee except upon receipt of an approved fingerprint clearance. A licensee or employee of a licensee who uses a name check or results of a name check for purposes other than prospective employment is guilty of a misdemeanor punishable by imprisonment for not more than 93 days, a fine of not more than \$1,000.00, or both. FOR FISCAL YEAR 2002, THE FEE SHALL BE \$15.00.

Sec. 25. (1) A license granted under this act may be renewed by the department upon application by the licensee and the payment of a renewal fee of \$100.00 if an individual, \$150.00 if a private security guard firm, company, partnership, or corporation, or \$250.00 if a security alarm system contractor, and filing of a renewal surety bond in the amount specified in section 9. FOR FISCAL YEAR 2002, THE RENEWAL FEE SHALL BE \$1,500.00 FOR AN INDIVIDUAL, A PRIVATE SECURITY GUARD FIRM, COMPANY, PARTNERSHIP, CORPORATION, OR A SECURITY ALARM SYSTEM CONTRACTOR.

1949 PA 300, being Section 257.629e of the Michigan compiled Laws, is amended as follows:

Sec. 629e. (1) In addition to any fine or cost ordered to be paid under this act, and in addition to any assessment levied under section 907, the judge, district or municipal court referee, or district or municipal court magistrate shall levy a highway safety assessment of \$5.00 and a secondary road patrol and training assessment of \$5.00 for each civil infraction determination except for a parking violation or a violation for which the total fine and costs imposed are \$10.00 or less. Upon payment of the assessments, the clerk of the court shall transmit the assessments levied to the department of treasury. The state treasurer shall deposit the revenue received pursuant to this subsection in the highway safety fund and in the secondary road patrol and training fund, and shall report annually to the legislature all revenues received and disbursed under this section. An assessment levied under this subsection shall not be considered a civil fine for purposes of section

909. FOR FISCAL YEAR 2002, THE SECONDARY ROAD PATROL AND TRAINING ASSESSMENT SHALL BE \$10.00.

s. State School Aid

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
22286	Golden Apple MEAP Incentives	7,200,000

The general fund transferred to the state school aid fund in accordance with section 11 of the state school aid act, 2001 PA121, being section 388.1611 of the Michigan Compiled Laws is hereby reduced by \$7,200,000 and transferred to the unappropriated balance of the general fund as of September 30, 2002.

t. Strategic Fund

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
01000	Administration	139,600
01100	Job creation services	1,216,000
03000	Michigan promotion program	400,000
03010	Economic development job training grants	3,000,000

u. Department of Transportation

The Michigan Department of Transportation is authorized to receive billings from the Department of State up to an amount not to exceed \$95,814,100.00, including \$55,814,100.00 authorized through an interdepartmental grant, and to make payments from the Michigan Transportation Fund for transportation related activities performed by the Department of State for the fiscal year ending September 30, 2002, based on allowable expenditures and subject to verification by the Michigan Department of Transportation.

The Michigan Department of Transportation is authorized to receive billings from the Department of Treasury up to an amount not to exceed \$8,000,000.00 and to make payment from the Michigan Transportation Fund for tax collection and audit activities performed by the Department of Treasury for the fiscal year ending September 30, 2002, based on allowable expenditures and subject to verification by the Michigan Department of Transportation.

v. Department of Treasury

<u>Appropriation Number</u>	<u>Item</u>	<u>Reduction Amount</u>
02401	Revenue	9,500,000
01801	Financial services	604,800

The Department of Treasury shall submit billings to the Michigan Department of Transportation for payment of transportation related tax collection and audit activities performed by the Department of Treasury up to an amount not to exceed \$8,000,000.00 for the fiscal year ending September 30, 2002.

4. The following general fund-general purpose amounts from work project accounts, totaling \$11,971,408.00 are hereby transferred to the unappropriated balance of the general fund as of September 30, 2002:

<u>Appropriation Number (Appropriation Year)</u>	<u>Item</u>	<u>Reduction Amount</u>
01260 (AY 01)	<u>Department of Agriculture</u> Value-adding processing ethanol	200,000
	<u>Department of Civil Rights</u>	

01000 (AY 00)	Succession planning	740,000
04530 (AY 97)	<u>Department of Environmental Quality</u> Environmental cleanup and pollution prevention	2,712,616
04530 (AY 98)	<u>Department of Environmental Quality</u> Environmental cleanup and redevelopment program	1,707,460
04530 (AY 99)	<u>Department of Environmental Quality</u> Environmental cleanup and redevelopment program	1,125,926
04419 (AY 98)	<u>Department of Environmental Quality</u> Leaking underground storage tank cleanup program	35,406
04419 (AY 99)	<u>Department of Environmental Quality</u> Leaking underground storage tank cleanup program	50,000
11250 (AY 01)	<u>Family Independence Agency</u> Data system enhancement	3,400,000
03030 (AY 00)	<u>Michigan Strategic Fund</u> Core communities initiative	2,000,000

5. Fund balances established in the following public acts amounting to \$144,571,000.00 are hereby transferred to the general fund as of September 30, 2002. The public acts establishing these funds are amended for the balance of fiscal year 2002.

- a. Certification Fees

Certification fees, distributed to the Department of Education for the operation of the preparation and certification program in accordance with 1976 PA 451, being Sections 380.1 to 380.1853 of the Michigan Compiled Laws, is reduced by amending Section 380.1539 as follows:

(4) Money in the teacher - administrator preparation and certification fund that is unexpended at the end of the state fiscal year shall be carried over to the succeeding state fiscal year, shall not revert to the general fund, and

shall be expended as provided in subsection (3). FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, FUNDS ACCUMULATED IN THE TEACHER - ADMINISTRATOR PREPARATION AND CERTIFICATION FUND OF \$1,400,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND FOR FISCAL YEAR ENDING SEPTEMBER 30, 2002.

b. Comprehensive Transportation Fund

Distribution of the 25 percent of the collections of the general sales tax imposed at a rate of 4 percent directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the Department of Treasury in accordance with 1933 PA 167, being Section 205.75 of the Michigan Compiled Laws, is reduced by amending Section 25 as follows:

Sec. 25. (4) For the fiscal year ending September 30, 1988 and each fiscal year ending after September 30, 1988, of the 25% of the collections of the general sales tax imposed at a rate of 4% directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles, and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the department of treasury remaining after the allocations and distributions are made pursuant to subsections (2) and (3), the following amounts shall be deposited each year into the respective funds:

(a) Not less than 27.9% to the comprehensive transportation fund. However, for the fiscal year ending September 30, 1991 only, the amount to be deposited in the comprehensive transportation fund shall be reduced by \$1,500,000.00. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, THE AMOUNT TO BE DEPOSITED IN THE COMPREHENSIVE TRANSPORTATION FUND SHALL BE REDUCED BY \$12,750,000.00 AND THAT AMOUNT SHALL BE TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002. THE FOLLOWING COMPREHENSIVE TRANSPORTATION FUND ACCOUNTS ARE REDUCED BY \$12,750,000.00 FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002:

72000 - ADMINISTRATION (\$200,000)
 75170 - LOCAL BUS OPERATING (\$3,247,300)
 78120 - FREIGHT PROPERTY MANAGEMENT (\$119,300)
 79030 - DETROIT/WAYNE COUNTY PORT AUTHORITY (\$31,500)
 74050 - INTERCITY BUS EQUIPMENT (\$1,000,000)
 77610 - RAIL PASSENGER SERVICE (\$78,000)
 78430 - RAIL INFRASTRUCTURE LOAN PROGRAM (\$800,000)
 77400 - INTERCITY BUS SERVICE DEVELOPMENT (\$100,000)
 79050 - MARINE PASSENGER SERVICES (\$500,000)
 77090 - TERMINAL DEVELOPMENT (\$200,000)
 75260 - SPECIALIZED SERVICES (\$190,000)
 75200 - BUS CAPITAL (\$378,900)
 75210 - BUS PROPERTY MANAGEMENT (\$60,000)
 76190 - SERVICE DEVELOPMENT AND NEW TECHNOLOGY (\$155,000)
 76180 - PLANNING GRANTS (\$40,000)
 75220 - AUDIT SETTLEMENTS (\$50,000)
 75230 - REGION SERVICE COORDINATION (\$900,000)
 75300 - WORK FIRST INITIATIVE (\$1,500,000)
 3078 - RAIL INFRASTRUCTURE LOAN PROGRAM - RESERVE FOR
 REVOLVING LOAN PROGRAMS (\$3,200,000)

(b) The balance to the state general fund.

Section 705 of 2001 PA 59 is amended as follows:

~~From the funds appropriated in part 1, \$800,000.00 is allocated for a rail infrastructure loan program.~~ The RAIL INFRASTRUCTURE LOAN program shall provide noninterest-bearing loans for rail infrastructure improvements. The department shall evaluate loan applications according to the relative merit of the project in conjunction with program goals. The transportation commission shall approve the loans. The loans shall fund not less than 90% of the rail portion of project costs, and the loan repayment period shall not exceed 10 years. Local governments, railroads, and current or potential users of freight railroad services are eligible applicants. At the end of the fiscal year, unexpended funds shall remain in the rail infrastructure loan program and shall be available to be allocated for the purposes of the program in the succeeding fiscal year. Money that is received by this state as repayment for rail infrastructure loans made pursuant to this program shall remain within the rail infrastructure loan program and shall be allocated for the purposes of the program. The

state's total contribution to the rail infrastructure loan program shall not exceed \$15,000,000.00.

c. Healthy Michigan Fund

Healthy Michigan Fund revenue, distributed to the Department of Community Health for support of programs in accordance with 1978 PA 368, as amended, being Sections 333.1101 to 333.25211 of the Michigan Compiled Laws is reduced by amending Section 333.5953 as follows:

(5) Money remaining in the fund at the end of the fiscal year shall remain in the fund and be available for expenditure in the following year. The unencumbered balance at the close of the fiscal year shall not revert to the general fund. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, OF THE FUNDS ACCUMULATED IN THE FOLLOWING ACCOUNTS \$3,448,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND AS OF SEPTEMBER 30, 2002:

11354 - EMPLOYEE WELLNESS PROGRAM GRANTS (\$1,312,000)
11386 -VIOLENCE PREVENTION (\$1,500,000)
14283 - ADOLESCENT AND CHILD HEALTH CARE SERVICES
(\$636,000)

d. Medical Waste Emergency Response Fund

Medical waste fee revenue, distributed to the Department of Environmental Quality for environmental health purposes in accordance with 1978 PA 368, as amended, being Sections 333.1101 to 333.25211 of the Michigan Compiled Laws is reduced by amending Section 13829 as follows:

(3) The state treasurer shall direct the investment of the fund. Interest and earnings of the fund shall be credited to the fund. Money in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the general fund. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, FUNDS ACCUMULATED IN THE MEDICAL WASTE EMERGENCY RESPONSE FUND OF \$1,100,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND AS OF SEPTEMBER 30, 2002, INCLUDING FUNDS

ACCUMULATED IN ACCOUNT 04913 - ENVIRONMENTAL HEALTH (\$402,500).

e. Michigan Health Initiative Fund

Michigan Health Initiative Fund revenue, distributed to the Department of Community Health for support of programs in accordance with 1978 PA 368, as amended, being Sections 33.1101 to 33.25211 of the Michigan Compiled Laws is reduced by amending Section 333.5911 as follows:

(4) The unencumbered balance remaining in the fund at the close of the fiscal year shall remain in the fund, and shall not revert to the general fund. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, OF THE FUNDS ACCUMULATED IN THE FOLLOWING ACCOUNTS \$2,488,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND AS OF SEPTEMBER 30, 2002:

16764 - AIDS PREVENTION, TESTING AND CARE PROGRAMS

(\$600,000)

11354 - EMPLOYEE WELLNESS PROGRAM GRANTS (\$1,888,000)

f. Michigan Merit Award Trust Fund revenue, distributed in accordance with the Michigan Merit Award Scholarship Act, 1999 PA 94, being Sections 390.1451 to 390.1459 of the Michigan Compiled Laws is reduced by amending Section 390.1453 as follows:

(2) Money in the trust fund at the close of a fiscal year shall remain in the trust fund and shall not revert to the general fund. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, FUNDS ACCUMULATED IN THE MICHIGAN MERIT AWARD TRUST FUND OF \$59,000,000.00 ARE HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND AS OF SEPTEMBER 30, 2002, INCLUDING FUNDS ACCUMULATED IN THE FOLLOWING ACCOUNTS:

80000 (AY 02) - MICHIGAN MERIT AWARD PROGRAM (\$22,000,000)

80000 (AY 00 and AY 01) - MICHIGAN MERIT AWARD PROGRAM (\$33,000,000)

03550 - POSTSECONDARY ACCESS STUDENT SCHOLARSHIP PROGRAM (\$3,000,000)

03216 - TREASURY - MICHIGAN EDUCATION SAVINGS PROGRAM (\$1,000,000)

Section 404 of 2001 PA 52 is amended as follows:

Sec. 404. (1) The Michigan postsecondary access student scholarship (PASS) program is established to provide a PASS award as calculated under this section for a student who is eligible under subsection (2), (3), or (4). The Michigan higher education assistance authority (MHEAA) shall administer the PASS program, for which there is ~~\$5,000,000.00~~ \$2,000,000.00 appropriated in part 1, and the PASS program shall comply with the requirements of this section.

g. Motorcycle License Fees

Motorcycle license fees, distributed to the Department of Education for support of motorcycle education in accordance with 1949 PA 300, being Sections 257.311a to 257.312g of the Michigan Compiled Laws, is reduced by amending Section 257.312c as follows:

(2) Except as otherwise provided in this subsection, the money received and collected under this section shall be deposited in the state treasury to the credit of the general fund. The secretary of state shall refund out of the fees collected to each county or municipality, acting as an examining officer or examining bureau, \$3.00 for each applicant examined for a first endorsement to a 3- or 4-year operator's or chauffeur's license, \$2.50 for each original endorsement to a 2-year operator's or chauffeur's license, \$1.50 for each renewal endorsement to a 2-year operator's or chauffeur's license, and \$1.50 for every other applicant examined whose application is not denied, on the condition, however, that the money refunded shall be paid to the county or local treasurer and is appropriated to the county, municipality, or officer or bureau receiving the money for the purpose of carrying out this act. Ten dollars of each original motorcycle endorsement and \$3.00 of each renewal motorcycle endorsement shall be placed in a motorcycle safety fund in the state treasury and shall be used only by the department of education for the motorcycle safety education program as provided under section 811a. FOR FISCAL YEAR ENDING SEPTEMBER 30, 2002, FUNDS ACCUMULATED IN THE MOTORCYCLE SAFETY FUND OF \$200,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002.

h. Teacher Testing Fees

Teacher testing fees, distributed to the Department of Education for administrative expenses of conducting teacher testing of the basic skills examination, elementary certification examination, and the subject area examinations in accordance with 1976 PA 451, being Sections 380.1 to 380.1853 of the Michigan Compiled Laws, is reduced by amending Section 380.1531 as follows:

(14) The department, or if approved by the superintendent of public instruction, a private testing service, may assess fees for taking the basic skills examination, elementary certification examination, and the subject area examinations. The fees, which shall be set by the superintendent of public instruction, shall not exceed \$50.00 for a basic skills examination or \$75.00 for an elementary certification examination or a subject area examination. However, if a subject area examination for vocational education includes a performance examination, an additional fee may be assessed for taking the performance examination, not to exceed the actual cost of administering the performance examination. Fees received by the department shall be expended solely for administrative expenses that it incurs in implementing this section. FOR FISCAL YEAR ENDING SEPTEMBER 30, 2002, FUNDS ACCUMULATED IN THE TEACHER TESTING FEES FUND OF \$250,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002.

i. Tobacco Settlement Trust Fund

Tobacco Settlement revenue, distributed to the Department of Career Development, Michigan Strategic Fund, and to the Department of Community Health for support of programs in accordance with 2000 PA 489, being Sections 12.251 to 12.256 of the Michigan Compiled Laws, is reduced by amending Section 12.254 as follows:

Sec. 4. The legislature shall authorize the expenditure of tobacco settlement trust fund revenues through an appropriation act. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, OF THE FUNDS ACCUMULATED IN THE FOLLOWING ACCOUNTS \$24,485,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND AS OF SEPTEMBER 30, 2002:

COMMUNITY HEALTH: 33750 - STATE AND LOCAL MEDICAL PROGRAMS (\$7,200,000)
46509 - LONG-TERM CARE ADVISOR (\$2,285,000)
CAREER DEVELOPMENT: 08221 - COUNCIL OF MICHIGAN FOUNDATIONS (\$2,000,000)
08260 - AY 00 - MICHIGAN TECHNICAL EDUCATION CENTERS (\$8,000,000)
MICHIGAN STRATEGIC FUND: 03020 - HEALTH AND AGING RESEARCH AND DEVELOPMENT STRATEGIES (\$5,000,000)

Section 1407 of 2001 PA 60 is amended as follows:

Sec. 1407. (1) The appropriation of ~~\$3,046,000.00~~ \$761,000.00 of tobacco settlement funds to the office of services to the aging for the long-term care advisor shall be allocated in accordance with a long-term care plan developed by the long-term care working group established in section 1657 of 1998 PA 336 upon implementation of the plan. The plan shall be implemented upon meeting the requirements of section 1684 of this act.

j. Statutory State General Revenue Sharing Grants

A portion of Michigan sales tax revenue, distributed to the Department of Treasury for revenue sharing payment in accordance with the 1971 PA 140, as amended, being Sections 141.901 to 141.921 of the Michigan Compiled Laws, is reduced by \$37,200,000.00 and transferred to the unappropriated balance of the general fund as of September 30, 2002.

Section 952 of 2001 PA 83 is amended as follows:

Sec. 952. Revenue collected in accordance with article IX, section 10 of the Michigan constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to townships, cities, and villages on a population basis as specified by law. The appropriation in part 1 for statutory state general revenue sharing grants to townships, cities, and villages shall be reduced by an amount equal to any additional constitutional revenue sharing appropriations authorized in this section. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, THE APPROPRIATION CONTAINED IN PART 1 FOR STATUTORY STATE GENERAL REVENUE SHARING GRANTS IS REDUCED FROM \$905,200,000.00 TO \$868,000,000.00.

k. Transportation Economic Development Fund

Revenues from increases in operator's and chauffeurs license fees, distributed to the Department of Transportation for economic development fund purposes in accordance with 1949 PA 300, being Section 257.819 of the Michigan Compiled Laws, is reduced by amending Section 257.819 as follows:

Sec. 819. (1) Except as provided in subsections (2) and (3), revenue from the increases in fees provided in the 1987 amendatory act that added this section is appropriated to the transportation economic development fund, and shall not be appropriated for any other purpose in any act making appropriations of state funds. FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002, OF THE FUNDS ACCUMULATED IN THE FOLLOWING TRANSPORTATION ECONOMIC DEVELOPMENT FUND ACCOUNTS \$2,250,000.00 IS HEREBY TRANSFERRED TO THE UNAPPROPRIATED BALANCE OF THE GENERAL FUND FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2002:

87200 - TARGET INDUSTRIES/ECONOMIC REDEVELOPMENT
(\$1,125,000)

87400 - URBAN COUNTY CONGESTION (\$562,500)

87500 - RURAL COUNTY PRIMARY (\$562,500)

6. Expenditure reduction amounts and associated sources of restricted financing shall be transferred in accordance with provisions of Section 391, Act 431 of the Public Acts of 1984, as amended.

The State Budget Director is hereby authorized to take any and all actions necessary to implement the provisions of this order so that expenditures authorized by appropriations shall be reduced as specified above for the fiscal year October 1, 2001 to September 30, 2002.

Given under my hand and the Great Seal of
the State of Michigan this ____ day of
November, in the year of Our Lord, Two
Thousand One.

GOVERNOR

BY THE GOVERNOR:

SECRETARY OF STATE